Standard Form Contracts and Customer Protection in Personal Loan Agreements: A Legal Analysis with Special Reference to Private Sector Banks in Rajasthan

Synopsis of the Research Proposal

Submitted for the Registration in the

Ph.D. Programme (Part-Time) in Law

By

DURGA BHANDARI

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Under Supervision of

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Abstract:

The banking sector is dominant sectors of the Indian economy, covering the public at large with increasing global access and trends across India. The practice of standard form contracts has tremendously boosted the banking industry to make it feasible for both parties. However, the banks use SFCs in every loan and due to high benefits e.g.: easy documents, less formality and no security requirement owing to easy formalities in loan processing, the most of the customer avail personal loan from bank, particularly from private sector banks such as ICICI Bank, HDFC Bank, Axis Bank, Mahindra Kotak Bank, etc. Though SFCs create efficiency and uniformity in loan documents, but they may result in unequal bargaining and unconscionability from other party side. These inequalities and domination formed a standard contract, raising the need of a customer protection mechanism. The proposed research titled Standard Form Contracts and Customer Protection in Personal Loan Agreements: An Analytical Legal Study with Special Reference to Private Banks in Jaipur District in Rajasthan" seeks to critically examine the legal framework governing standard form contracts in personal loan agreements, with a focus on their practical implications for customers.

The study will analyse the relevant statutory provisions of the Indian Contract Act, 1872, Consumer Protection Act, 2019, Banking Regulation Act, 1949, and RBI guidelines, along with judicial precedents for protection of customers. It will also assess how private banks in Rajasthan design and implement personal loan agreements, identifying clauses that may be potentially unfair, arbitrary, or detrimental to consumers. By employing a doctrinal and empirical methodology, the research aims in achieving the gap between legal theory and practical realities, highlighting the challenges faced by customer and evaluating the effectiveness of existing regulatory safeguards.

Ultimately, the research proposes the legal reform in banking sector, which is vital need of the economy. It recommends policy and legal reforms which may ensure balanced framework to protect customer rights and business of banking sector.

Keywords*:* *Standard Form of Contract, Private Bank, Customer, Legal Framework, RBI, Personal Loan.*

Title:

"**Standard Form Contracts and Customer Protection in Personal Loan Agreements: A Legal Analysis with Special Reference to Private Sector Banks in Rajasthan."**

1. Introduction:

Sir Henry Maine, one of the jurists of the Historical School of jurisprudence, in Ancient Law (1861), quoted "*movement of progressive societies has hitherto been from status to contract"*. He considered this movement both desirable as well essential for the progress of human society. As per the quotation of Sir Henry Maine, in non-progressive societies, individuals were subject to exploitation in the non-appearance of a valid contract between parties. With the movement of non-progressive societies to progressive societies, the importance of contract amongst the parties in any transaction was heavily realised and considered significant. The contract is guided by several considerations and contract must be valid. In a valid contract, there is required meeting of the minds on the same things and in the same sense. This can be ensured through fee consent. Consent is free when not obtained by fraud, undue influence, coercion, or misrepresentation, and fraud. In addition to these essentials of a valid contract, the objects of the contract shall be lawful to promote public policy and rights of customer.

In India, the law that specifically deals with contracts is the Indian Contract Act, 1872. The British Government had drafted and implemented this Law to provide a standardized framework to ensure fairness and a clear understanding amongst parties of the contract. Since then, all personal and business transactions between parties are governed by contract.

In the last few years, the commercial and business transactions in all sectors in India have increased requiring the terms and conditions to be governed by parties which have equal bargaining power to decide the terms and conditions of the agreement they enter into. However, the SFCs are widely used in the present time in various sectors such as insurance, banking, the telecommunication sector has raised concerns how to protect individual customers against unfair terms of contract.

Meaning of Standard Form Contracts

In India, the Standard Form Contracts are not defined in any statute however it has been recognised in section 23 of the law of contract and which says that any contract which has a certain degree of injustice or unconscionability or against public policy is void and not acceptable. In standard form contract clauses and terms of contracts are set by the one party and

other party has no role to enter into negation or request a change. They are in form of take it or leave it contracts. Though it was constructed to facilitate the global reach, it is now due to its unequal nature raised customer protection issues.

India is currently working to boost the country's economic growth, and banking and financial institutions are vital for this growth. The highest banking institution of the Country, i.e., the Reserve Bank of India (in brevity RBI), issued licenses to the private sector banks, and as of March 31, 2025, there are exactly 21 scheduled private sector banks operating in India such as HDFC Bank, ICICI Bank, Axis Bank, IndusInd bank, Kotak Mahindra Bank and several others. These private sector banks have branches in different parts of States across India. As per news published in newspaper, in the State of Rajasthan, approximately 883 private sector bank branches are operating in Rajasthan. In all private banks, a wide range of transactions is carried out using standard form contracts (SFCs) having various clauses and standard loan terms. The nature, structure, format and standard terms used in loan agreements have adverse impacts on rights of the customer or parties involved in the agreements.

Nature of Standard Form Contracts

- Pre-drafted: The party which has the higher bargaining power, such as a bank, formed the terms of contract, and the other party (usually a consumer or a weaker party) can either accept or reject the terms but cannot modify them.
- Unchanging terms: one party at no option but to take the contract as a whole or just leave.
- Common Use: It is commonly used for mass transactions where individual negotiations would be inefficient, such as for credit card agreements, insurance policies, and service subscriptions.
- Unilateral type of contract: It is formed by one party considering it more party-centric.

Types of Standard Form Contracts

- Account Opening Contracts: It consists of saving account agreement, current account agreement and fixed deposit agreement, which include the terms on deposit, withdrawals, interest rate, KYC compliance, bank charges.
- Loan Agreements: It contains personal Loan Contracts, Home Loan / Housing Finance Contracts, Car / Vehicle Loan Agreements, Education Loan Agreements include repayment schedules, interest obligations, security/collateral terms, and default clauses.
- Credit Card and Debit Card Contracts: It Consist of Credit Card Holder Agreement which deals with standard terms on billing cycles, late fee, interest, liability for loss/misuse, etc.

Debit Card Agreement which deals with transaction limits, ATM usage, and liability for unauthorized transactions.

- Internet and Mobile Banking Contracts: It includes Net Banking Terms & Conditions, Mobile Banking / UPI Service Agreement which also cover data security, two-factor authentication, transaction disputes, and liability for cyber fraud.
- Digital Payment and E-Banking Contracts: It consist of unified Payments Interface (UPI) Mandates, E-Mandate / Auto-Debit Agreements e.g., for EMI or bill payments.
- Investment and Wealth Management Contracts: it consists of Demat Account Agreement (for securities trading, in partnership with depositories), Mutual Fund Distribution Agreements (standard consent forms for SIPs, redemption, etc.), and Insurance Distribution Agreements (bancassurance standard forms).
- Guarantee and Security Documents: They consist of Bank Guarantee Contracts, Pledge/ Mortgage Deeds used by banks for secured lending.
- Service-related Agreements: consist of Locker Agreement (safety deposit locker facility terms, liability limitations), Standing Instruction Contracts (auto-transfer/auto-payment terms), and Remittance Agreements (domestic and international money transfer services).

Personal Loan Agreements and SFCs

In the banking sector, there are many types of standard contracts prepared by banks, mainly the loan agreement. As per a recent survey by a Fintech platform, a skyrocketing increase was witnessed in terms of individuals availing personal loans by individuals. The report published by Saral Credit, a Fintech platform, highlights that personal loans grew from Rs. 10.7 lakh crore to Rs. 14.6 lakh crore over two years. The most availed loan type by customers is a personal loan in India from banking institutions as compared to other financial institutions. The study reveals that 77% families preferred taking loans from banks, and while 14% chose NBFCs and 3% opted for fintech. These loans typically have competitive interest rates starting around 10.85% to 11.10% per annum and can be availed for various purposes such as marriage, travel, debt consolidation, and home renovation. Thus, trends are clear that people are opting personal loans for different purpose from private banks owing to several advantages such as easy documentation, less compliance, quick disbursal of requested loan amount and apps-based loan facilities.

Types of Personal Loans

- Secured Personal Loan Agreement consist of Loan backed by collateral (e.g., fixed deposits, insurance policies, property, gold) which contain clauses regarding hypothecation/pledge/mortgage. In case of default, bank can enforce its right over the collateral.

- Unsecured Personal Loan Agreement consist of No collateral; purely based on borrower's creditworthiness. These Agreement has stricter terms on repayment, higher interest, and penalties.

Common Forms of Personal Loans

- Consumer Personal Loan: This loan is for general purposes like gadgets, travel, or household expenses.
- Medical Personal Loan: This loan is specifically for hospitalization or health emergencies.
- Education/Skill Development Loan Agreement – personal loan variant for higher studies, short-term courses (different from formal education loans).
- Wedding/Travel Loan: customized personal loans for lifestyle events.
- Debt Consolidation Loan: to merge multiple debts into a single loan.
- Personal loan against credit card

Legal Framework

At present various laws, policies and regulation of central government are in existence to delas with SFCs. The Indian Contract Act ,1872, Consumer Protection Act, 2019, Information Technology Act, 2000, Foreign Exchange Management Act (FEMA), 1999 , Competition Act, 2002, Reserve Bank of India Act, 1934 ,Banking Regulation Act, 1949 , Foreign Exchange Management Act (FEMA), 1999, Payment and Settlement Systems Act, 2007 , Companies Act, 2013 and RBI Fair Practices Code , Customer Rights Charter 2014, Banking Ombudsman Scheme (1995, revised 2006, merged into RBI's Internal Ombudsman Scheme 2021) are worthy to mention. Additionally, the RBI circulars include: Reserve Bank of India (Co-Lending Arrangements) Directions, 2025, Key Facts Statement (KFS) for Loans & Advances, Fair Practices Code for Lenders – Charging of Interest 2024, Strengthening of customer service rendered by Credit Information Companies and Credit Institutions 2023, Reserve Bank of India (Digital Lending) Directions, 2025.

Higher Judiciary, consumer Courts through doctrines like Doctrine of Unconscionability – Courts can strike down unfair clauses (e.g., *LIC v. Consumer Education & Research Centre* (1995)) and Reasonableness Test – Borrowed from common law (*Central Inland Water Transport Corp v. Brojo Nath Ganguly* (1986)). Courts often rely on RBI circulars and guidelines to check whether a standard form banking contract is unfair. Example: In cases of excessive service charges, unilateral interest hikes, or unfair arbitration clauses, courts look at RBI's customer fairness guidelines has displayed mixed response towards addressing the issues associated with SFCs and borrower protection. The SFCs, a private documents prepared by the Banks to regulate contract between banking institution and customer is against basic principles

of contract define under Indian Contract Act 1872. The multiple Bodies such as District Consumer Forum, State commission, National Commission and Consumer Protection Council created under The Consumer protection Act are redressing the grievances.

2. Review Of Literature:

1. **Mc Levis Lynne Junior (2025),** the study suggest that the consumers must be given a reasonable time to read or get acquittance with the terms of these agreements before giving its consent.
2. **Mahendhiran Krishnan (2025)** provides an outline the major issue concern with traditional and manual contract which is labour-intensive, time-consuming, and inclined to human error, particularly with large volumes of complex agreements. The author suggests two technologies e.g. Generative AI (GenAI) and Blockchain which preforms task like contract analysis, discrepancy identification, and adherence to specific accounting standards like U.S. GAAP and IFRS and ease the contract verification, secure storage, and the creation of transparent audit trails resulted in effective and enhanced contract review, security and operational effectiveness and less manual activity.
3. **Gaurav Sunil Dahale et. al (2024)** in its study shows that adhesion contract often reduces bargaining power of one party which may conclude the concern of fairness. It provides different international approaches and judicial and legislative response towards consumer protection. The article highlights the need for proper balance between contractual efficiency and need for safeguard measures.
4. **Dian Fitriana et. al (2024)** explore the matter of standard clauses in Indonesian banking agreements and the legal protection available to consumers. The study shows that standard clauses are detrimental to consumers as it unfair and unilaterally favour Banks. It observes the role of regulatory bodies, such as the Financial Services Authority (OJK), in implementing consumer protection laws.it shows that even after proper regulations and legal framework there is a gap in implementation and enforcement of standard clauses.
5. **Bina Era Dany (2024),** in her study insight the risks (e.g. lack of transparency, contractual clauses favouring banks like exoneration or waiver clauses) adjacent bank credit agreements, which are essentially standard form contracts, and their implications for consumer protection. These terms often limit consumers' ability to challenge unfair practices. The study further highlights the need of effective dispute-resolution mechanisms, such as mediation and statutory consumer complaint systems to minimise these risks.
6. **Adv. Rupali Chhajer (2024**), critically examines how standard form contracts (SFCs) limit the bargaining capacity of consumers with unfair terms. She observes that SFCs, though

efficient for businesses, often operate as adhesion contracts where consumer consent is only formal. It further elevates the issue of lack of awareness, fine print, and information asymmetry prevent consumers from exercising real autonomy. She suggests the reforms like plain language drafting, strict regulatory and fair redressal mechanisms.

7. **Aman Singh et.al. (2024)** in their study provide an inclusive historical evolution of banking systema with examination of current banking law in India with an aim to explain the key challenges and regulatory implication in Indian Banking sector.
8. **Farid Irfan Sidik et. al (2024)** in their study highpoints important role of banks in ensuring the precautionary principle which contributes to a sound banking system and protecting the country's economy.
9. **Ruchit M. Gyani, (2023)** analysed the effectiveness of the Indian Contract Act in safeguarding consumer rights against standard form contracts. It states that even if Act provides principles of consent, free will, fairness it excludes the specific safeguard against adhesion contract. It acknowledges the doctrines like unconscionability and public policy. This study underlines the need of reforms and strict punishment to report challenges in the standard form of contracts.
10. **Marsha Cadogan Simone (2023),** in their study highlights the need for hybrid legal-technological frameworks to ensure enforceability of digital banking contract. Its emphasis the loopholes that consumers cannot understand the mechanical terms and debates on digital banking contracts and their regulatory oversight.
11. **Dhaniswara K. Harjono, (2023)** explores standard agreements in Russian law. The study states the needs of contractual freedom which is often not available in adhesion contract. It points the need of regulatory interference to account the inequality in bargaining power.
12. **Bagus, P., & Howden, D, (2023),** in their study examine the imbalance between consumer rights and banking contracts with unequal bargaining power and complex contractual terms with no proper consent and impartiality. It also states that it the ethical responsibility of banks to ensure transparency and fairness.
13. **Dr. Upender Sethi,** (2023) in his study examine current situation of consumer protection in India within Indian Banking sectors, it majorly focuses on Ombudsman Scheme and examine its public accessibility and limitation with the suggestion of continuous need of reform in the scheme.
14. **Andrea Boyack(2023)** in his study examine the nature of one side drafted agreement and highlights that the contracts which are prepared to protect interest of business are often unfair to the consumer. It states for a re-evaluation of current legal frameworks to better protect consumer rights and promote fairness.

15. **Agyarossa, T (2021),** examines the existing legal frameworks and study their effectiveness in protection of the customers. With the inference that there is a need for improved legal measures to protect customers.
16. **Desak Putu Dewi Kasih et.al (2021)** in their study examines how standard contracts in the banking sector are structured with internal banking rules rather than in compliance with the legislation. They highlight that banks regularly use adhesion contracts which limited consumer bargaining and creates latent injustice. The study highlights the lack of strict regulatory standards resulted in banks own terms favouring institutional interests.
17. **The Harvard Law Review association (2021)** reviews the Canadian Supreme Court's decision in Uber v. Heller (2020), where an arbitration clause was struck down as unconscionable. The Court emphasized inequality of bargaining power and the denial of access to justice in standard form contracts.
18. **Palanissamy,A., et.al (2020),** the standard form contracts in online contracts where service providers often use pre-drafted terms which is not fully understand by the consumer. These contracts can include unfair clauses, such as dispute resolution clauses, which may exploit consumers.
19. **M.P. Ram Mohan et. al (2020)** in their study see how courts report fairness in adhesion contracts. It highlights the balances of the freedom of contract with doctrines like unconscionability and public policy.
20. **Sankalp Jain (2020)** examines the doctrine of contractual freedom and highlights that public policy imposes limitations on this freedom to ensure economic and social balance to prevent exploitation and uphold justice. It concludes the need for a balanced approach that balance the individual sovereignty while protecting the public interest.
21. **Surjit Singh (2020)** contends that in the era of mass production and distribution the need of SFCs emerge resulted in power imbalance, where the consumer or the weaker party merely signs "on the dotted lines." It highlights the exploitative terms, such as unfair exemption clauses, which are often used to limit the liability of the business and concludes that the law must evolve to reflect the realities of the modern market, ensuring that the principle of pacta sunt servanda (agreements must be kept) is balanced with the need for fairness and consumer welfare.
22. **Audina Noor Arifa et.al. (2018)** highlights a need for sharia-compliant alternatives or modifications standard contracts to ensure they align with the ethical framework of Islamic finance.
23. **M. Meher et.al. (2018)** examine standard contracts and argue that such contracts are often drafted unilaterally by banks, limiting customer bargaining power. The study highpoints legal risks as the terms may conflict with principles of fairness and consumer protection. It

underlines the need for regulatory oversight to prevent exploitative practices and demands the legislative intervention to regulate uniform standards and protect consumer right.

24. **Robert A. Hillman (2017)** in his study examines the rise of consumer internet standard form contracts in India and the imbalance between rapid digitalization and weak consumer safeguards. It emphasizes that disclosure regimes alone are insufficient for consumer protection. It also suggests the legal reforms to strengthen fairness, transparency, and enforceability in digital contracting.
25. **Sachin Kumar Sharma (2016),** examines the nature and enforceability of standard form contracts in consumer transactions. It highlights that how such agreements are largely drafted unilaterally by businesses, leaving little scope for consumer negotiation with the risks of unfair terms, particularly in sectors like banking, insurance, and digital services.
26. **Liran Haim, (2013),** in her study critiques the traditional reliance on disclosure requirements. Haim argues that this approach fails because consumers often have cognitive limitations and cannot fully understand complex financial products. He advocates for a shift from an ex-post to an ex-ante regulatory framework.
27. **Azimon Abdul Aziz et al., 2012,** examine the legal challenges and imbalance between businesses and consumers. The research likely employs a comparative legal analysis, examining the consumer protection laws and legal frameworks of several Asian countries to understand how each jurisdiction addresses the issues of unfair terms and exclusion clauses.
28. **Margaret Jane Radin (2011)** in his work analyses standard form contracts as not open consent, since consumers rarely read or understand complex terms. She argues that the disclosure rules are ineffective in protecting their rights.
29. **Clayton P. Gillette (2009)** in his research paper “Standard Form Contracts" analyses standard form contracts through a law-and-economics lens, suggesting they enhance efficiency by reducing transaction costs. However, he acknowledges risks of opportunism where drafters exploit consumer vulnerabilities. The paper highlights the tension between efficiency and fairness in adhesion contracts. This framework is directly applicable to assessing digital banking contracts.
30. **Shmuel I. Becher et al (2008),** examine the standard form contracts in the online environment. The authors argue that the rise of online user participation fundamentally changes the contracting dynamic with the information shared by users on forums and social media acts as a powerful market force and deter them from including unfair terms. Consequently, the authors conclude that the need for strict legal intervention may be reduced.
31. **Jason Scott Johnston (2006)** in his study argues that boilerplate terms can reduce transaction costs and facilitate mutually beneficial exchanges between businesses and consumers. It

highlights market discipline as a check against exploitative drafting. This balanced approach is valuable for assessing efficiency versus fairness in digital banking contracts.

32. **W. David Slawson (1971)** in his study presents a seminal critique of standard form contracts, arguing that they transfer lawmaking power from legislatures to private corporations contends that boilerplate terms, drafted without consumer input, undermine democratic accountability. It highlights how adhesion contracts restrict individual autonomy while serving corporate interests.

3. Research Gaps:

I. The existing literature does not cover and discuss standard loan terms used in personal loan agreements in private banks and their effect on customer rights.
II. There is no empirical study conducted on the topic in the state of Rajasthan.
III. In existing literature on the research topic does not make a comparative analysis of the legal framework of India in the standard form of contract with the laws of foreign countries.
IV. The previous studies on the research problem do not discuss comprehensively the role of the Higher judiciary, consumer courts, and the Ombudsman towards addressing and monitoring customer concerns raised in the SFCs.

4. Statement of the Research Problem:

Standard Form Contract (SFCs) is widely used by Private Banks in India for Personal Loan Agreements. The purpose of using of SFC's is to offer efficiency and uniformity but at the same time they restrict customers' ability to negotiate terms. In Rajasthan there are various private Banks having branches in all districts are using SFC's for Personal Loan Agreement. These SFC's are pre drafted contracts that frequently includes various standard loan terms, penalty provision and unilateral rights in favour of Banks. The key terms, such as Jurisdiction Clause, waiver of notice, dispute resolution clause, default clause, data and privacy issue, loan restructuring clauses, legal documentation fee and many other key terms and exclusion clauses in SFCs are not pro customer. The nature, structure, language, and terms used in SFC's create an inherent imbalance of power between Banking institutions and customers. Since districts in the State of Rajasthan is a major financial transaction hub owing to several industries and business venture, the extensive dependency on SFC's in personal loan agreements has raised concern about informed consent, lack of transparency and fairness in banking practices.

There are various laws, policies and regulations to address SFC's and customer welfare. Additionally, Higher Indian Judiciary, Quasi-Judicial Bodies such as-Consumer councils

constituted under Consumer Protection Act and Institutional mechanism have made efforts to report matters related to SFC's and Consumer Protection.

Despite laws, policies and guidelines and judicial efforts addressing issues related with SFCs, there is limited doctoral and non-doctoral studies undertaken to assess and analyse effectiveness of existing legal mechanisms and judicial and Institutional responses to protect customers in personal loan agreements against unfair terms and clauses used in SFCs. The lack of understanding and awareness about the structure, language, and key terms used in SFCs among customers, coupled with the absence of negotiation opportunities for customers, often leaves them vulnerable to unfair contractual obligations. These legal and structural gaps in existing SFC's used by private Banks (HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Axis Banks) in personal loan agreements in Rajasthan highlights need for well organised and systematic study of SFC's in personal loan agreement, analysing their transparency, fairness, compliance with customer protection laws and the adequacy of existing legislative, judicial and Institutional safeguards. There is a limited comprehensive analysis of judicial interpretations, RBI role, and consumer court outcomes in the context of banking and financial services. Hence, this study aims to fill the gap by analysing the legal framework, judicial precedents, and field-level realities.

5. Significance of the Study:

I. The study will offer policy recommendations to improve and strengthen the regulation, transparency, and fairness in banking loan contracts.
II. It will offer evidence-based suggestions how to frame balanced SFCs from both parties perspective.
III. The study will be useful to empower customers by raising awareness among them about standard loan terms.

6. Research Objectives:

I. To identify key terms and clauses used in personal loan agreements and assess them in light of essentials of a valid contract.
II. To critically analyze the legal framework concerning SFCs and the Protection of customers.
III. To analysis decisions of quasi-judicial and judicial bodies concerning SFCs and the protection of customers.
IV. To critically examine the Institutional (RBI and Ombudsman) approach in monitoring SFCs and issues with protection of customers.

V. To compare the Indian legal framework with selected foreign jurisdictions known for best comprehensive customer protection regime.

VI. To empirically investigate about perceptions and experiences of stakeholders about SFCs and challenges in enforcement of legal provisions.

VII. To suggest the measures and reforms to make SFCs balanced to protect customer as well as the interests of the banking institutions.

7. Research Questions:

I. Whether the terms and exclusion clauses in SFCs used in personal loan agreements are in compliance with the essentials of a valid contract?

II. Is existing legislative, judicial and quasi-judicial responses concerning SFCs adequate to protect customers' rights?

III. Is existing Institutional approach adequate to monitor SFCs and protect issue related to customer.

IV. How far are the SFCs used in private sector banks in Rajasthan aligned with the known consumer protection regime of private sector banks in foreign countries?

V. To what extent do the stakeholders, particularly customers, understand and are mindful of the terms and conditions of SFCs used in personal loan agreements?

8. Research Hypotheses:

I. SFCs used in personal loan agreements do not comply essentials of a valid contract.

II. Existing legal framework concerning SFCs and customer protection is inadequate.

III. There is a lack of understanding and awareness among individual customers about the SFCs and their impacts on them.

IV. Bank officials and advocate perceive that SFCs are easy understandable and not against customers' rights.

9. Research Methodology:

Research Design

In the present study, the researcher will adopt a mixed-methods research design integrating doctrinal and non-doctrinal. The quantitative, qualitative, comparative, and analytical insights will be used for doctrinal and non-doctrinal study. The doctrinal research will focus on an analytical study of the legal framework, decisions of judicial and quasi-judicial bodies, and RBI guidelines, while the empirical research will collect primary data through questionnaires and interviews. These designs allow a comprehensive understanding of both the theoretical framework and its practical implications.

Sources of Data

- **Primary Data:**

The primary data for the present study will be collected through structured questionnaires, interviews, and focus group discussions with key stakeholders such as customers and bank officials, including managers, loan disbursal, and legal recovery officials and advocates.

- **Secondary Data:**

The secondary sources of data will include statutes, policies, and codes, RBI guidelines, court decisions, and government reports. In addition, law books, scholarly articles, law journals, periodicals, and online databases (SCC Online, Manupatra, Hein Online, J-store) will be relied upon to complete this study.

Universe and Sample of the Study

- **Universe:**

The universe of the study comprises private sector banks operating in Rajasthan. All customers who availed a loan and bank officials from 4 private sector banks branches viz. HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Axis Bank in the district of Rajasthan divided as North, South, East and West Rajasthan are included in the study. As per official information, there are 14 categories of private sector banks in Rajasthan having branches at several places across the State. Out of 14 private sector banks, only 4 banks, viz. HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Axis Bank will be included in the survey.

- **Sampling Technique:**

A purposive sampling method will be applied in the present study to ensure that respondents are directly relevant to the study**.** The customers who have signed SFCs in personal loan cases such as vehicle loans, gold loans, and education loans, etc will be included in the study to record their awareness and understanding level about the terms and conditions of the loans taken.

- **Sample Size:**

There will be three categories of respondents chosen as sample viz. customers, Advocates contesting bank litigation and bank officials for the present study. Approximately 450 respondents consisting of three categories (Customers, Advocates and Bank officials) shall constitute sample of the study. Under first category 200 customers, second category 50 bank officials and under third category 200 advocates will be interviewed for the present study based on availability and representativeness. Thus, total 450 individual customers, bank officials, advocates and law firm’s opinions from Rajasthan will be taken and treated as sample.

10. Scope and Limitations of the Study

- **Scope**

The present study will be conducted with reference to Private Sector Banks in four major districts in the State of Rajasthan. In the Rajasthan district, there are a total of 883 branches of private sector banks, out of 883 branches, 5 branches of each private bank, namely HDFC Bank, ICICI Bank, Kotak Mahindra Bank and Axis Bank, will be opted to record responses on SFCs from customers and banking officials.

- **Limitations**

I. The present study examines SFCs and their impacts on all categories of customers who have signed SFCs to avail a personal loan.
II. The public sector banks have not been included in the study. Hence, findings and results may not be generalized to public Sector banks.
III. Also, the study is mainly confined to recording responses of customers and bank officials of four categories of private Sector banks, namely HDFC, ICICI, Kotak Mahindra and Axis banks. Other private Sector banks have not been included in the study.
IV. The study only covers one category of loan, i.e., personal loans. The other types of banking loans are not be covered.
V. Customers willing to participate may not reflect wider experiences.

11.Expected Outcomes:

I. Evidence based data and suggestions will help to make SFCs easily understandable.
II. Study on private sector bank will serve as a model to reform SFCs in public sector bank.
III. Identification of unfair terms, exclusion clauses, and imbalance in bargaining power that typically exist in standard form contracts offered by private banks.
IV. It will evaluate the adequacy of current consumer protection frameworks in safeguarding borrowers' rights, especially in personal loan agreements.
V. A comparative analysis of India practices in SFCs with the other countries.
VI. The outcomes will aid policymakers, consumer protection agencies, and banking sector to balance contractual freedom with consumer rights.

12.Research Timeline:

S.No.	Phases	Months	Targets
1.	1	1-4 Months	Conduct comprehensive Literature Review and Gap Identification, Ethics clearance.
2.	2	5-10 Months	Study the secondary data: Bank Personal loan agreements and Laws, Regulations code and guidelines of RBI related with SFCs, case laws, comparative legal study.
3.	3	11-15 Months	Preparation of data collection tools and their testing/ identification of legal issues.
4.	4	16-19 Months	Complete Data collection, Arranging the data collected. Feeding, decoding of data, and Tabulation of data/Making of chapters and review by the guide
5.	5	20-24 months	Interpretation and Analysis of data collected, Compilation of material, and report writing. Final editing and proofing of thesis.

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